



**SENATE
FISCAL
AGENCY**

SECTION-BY-SECTION ANALYSIS - ITEMS OF DIFFERENCE ONLY
Current Law, Executive and House Passed, Senate Passed, and Conference Proposal
SCHOOL AID SUPPLEMENTAL, FYs 2002-03 and 2003-04
H.B. 4401

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ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
1	Sec. 6(2) Pupil Retention Rate	Defines the term "district pupil retention rate" in an effort to determine the number of students who have been retained in school.	The defined term is changed to "district and high school completion rate" and is changed in order to comply with nationally recognized standards.	Concurs with Governor.	Changes to "graduation rate", rather than "completion rate."	Concurs with Senate.
2	Sec. 6(3) Pupil Retention Report	Defines the term "district pupil retention report" to mean the report that identifies the number of pupils that have come into or out of the district in a given year.	The defined term is changed to "District and High School completion report" and is changed in order to comply with nationally recognized standards.	Concurs with Governor.	Changes to "graduation rate", rather than "completion rate."	Concurs with Senate.
3	Sec. 6(4) and 6(4)(x) Pupil Membership Definition	The blended count that determines membership is weighted 80% on the current school year September count and 20% on the prior school year February count.	Changes the blended percentages to 50% of the current school year September count and 50% of the prior school year February count.	Retains current law.	Retains current law. (All of section 6 is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Current law.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
4	Sec. 6(4)(y) Declining Enrollment	For FY 2003-04, allows small, rural districts located in the lower peninsula only, to use a 3-year blended membership if that results in a higher membership than an actual current year blend.	Eliminated.	Retains current law but eliminates the "lower peninsula only" provision.	Concurs with the House. (All of section 6 is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Concurs with House.
5	Sec. 6(6) Definition of Public School Academy	Defines "public school academy" as a public school academy or strict discipline academy operating under the revised school code.	No change.	No change.	Adds "urban high school academy" to the definition.	Concurs with Senate.
6	NEW Sec. 6(18) Definition of Textbook	N/A	N/A	N/A	Adds definition for textbook, which duplicates the definition in the school code and adds or another type of course material that forms the basis of classroom instruction.	Concurs with Senate.
7	Sec. 8b Assignment of PSA District Code	Requires the Department to assign a district code to a PSA in a timely manner. If none is issued, the State Treasurer may issue a temporary district code.	Retains current law.	Requires the department to issue a district code within 30 days of a contract being submitted. If none is issued, the State Treasurer shall issue a temporary district code.	Assigns a five digit district code to a new PSA (prescribed in law) if the Department fails to do so within 30 days of a contract being submitted by the authorizing body.	Concurs with Senate.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
8	Sec. 11 Total Appropriation	<p>School Aid Fund</p> <p>FY 2003-04 SAF appropriation of \$11,246,667,400.</p> <p>General Fund</p> <p>FY 2003-04 GF/GP \$198,413,500.</p>	<p>School Aid Fund</p> <p>FY 2003-04 SAF appropriation of \$11,025,000,000.</p> <p>Also, the general fund appropriation is eliminated and replaced with new language stating that there is a one-time appropriation of \$198,600,000 from the revenue sharing reserve.</p> <p>Additionally, language is added that deposits the proceeds generated from the refinancing of the school bond loan fund (SBLF) debt into the SAF.</p>	<p>School Aid Fund</p> <p>FY 2003-04 SAF appropriation of \$11,063,658,400.</p> <p>General Fund</p> <p>FY 2003-04 GF/GP \$206,870,100.</p> <p>Concurs with Governor.</p>	<p>Retains FY 2002-03 appropriations, adjusted downward by \$28,303,000 to reflect savings due to refinancing Durant bonds and including supplemental needs for School Lunch, School Breakfast, and Renaissance Zones.</p> <p>FY 2003-04 SAF appropriation of \$10,955,778,500.</p> <p>FY 2003-04 GF appropriation of \$306,800,000.</p> <p>Included in the SAF appropriation for FY 2003-04 is an appropriation of \$17,000,000 from the Merit Award Trust Fund.</p> <p>Concurs with Governor on SBLF transfer language.</p>	<p>Concurs with Senate for the supplemental items in FY 2002-03.</p> <p>FY 2003-04 SAF appropriation of \$10,985,696,700.</p> <p>FY 2003-04 GF appropriation of \$328,800,000.</p> <p>Included in the SAF appropriation for FY 2003-04 is an appropriation of \$17,000,000 from the Merit Award Trust Fund.</p> <p>Technical changes are included to effect the transfer of \$100,000,000 in net proceeds from the SBLF refinance to the SAF.</p>
9	Sec. 11(2) SAF Allocations	States that money appropriated in this section from the general fund and from available federal funds must be expended first before any funds that are appropriated from the SAF are expended.	Eliminated.	Strikes only the language pertaining to available federal funds.	Concurs with House. (All of section 11 is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Concurs with House.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
10	Sec. 11(3) Proration Language	The FY 1994-95 foundation allowance for a PSA beginning operations after 1994-95 is equal to the FY 1994-95 foundation allowance of the district in which the PSA is located.	Additional language changes the maximum amount a PSA may receive under this provision to the lesser of the foundation allowance of the district in which the PSA is located or \$5,500.	<p>Strikes the current law language regarding the 1994-95 PSA foundation allowance language.</p> <p>Instead, changes the language regarding proration such that any future reductions that become necessary due to a shortage in revenues shall be reduced as necessary using a reduction method that has been determined to be fair and equitable by the State Budget Director.</p> <p>Also, the notification that is given to the Legislature that a reduction will become necessary shall include a description of the method the State Budget Director will use to make the necessary reduction.</p>	Inserts language requiring any proration to be calculated and applied as described in a new subsection (4).	Concurs with the Senate.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
11	Sec. 11(4) Lapse of General Fund Allocation (Renumbered)	Allows for general fund allocations that are not expended in the year in which they are appropriated to be transferred to the SAF.	Changes the language to instead allow the one-time revenue from the revenue sharing reserve fund to lapse to the SAF.	Retains current law.	Concurs with House - renumbers to Section 11(6).	Concurs with the House.
12	NEW Sec. 11(4)	N/A	N/A	N/A	New proration language: an equal per dollar amount of proration if necessary, with 95% of the total proration absorbed by local districts and the remaining 5% of the shortfall deducted from intermediate school district payments.	Concurs with the Senate to include this new proration language, but amends it to include entities other than districts and ISDs in subsection (4).
13	NEW Sec. 11(5)	N/A	N/A	N/A	Transfers \$61,000,000 from the General Fund to the School Aid Fund to cover the projected deficit in FY 2002-03.	Transfers \$51,000,000 from the General Fund to the School Aid Fund to cover the projected deficit in FY 2002-03.
14	Sec. 11g(1) <i>Durant</i> Debt Service Payments	Appropriates \$40,000,000 from the general fund to make debt service payments for <i>Durant</i> non-plaintiff school districts.	REVISED RECOMMENDATION: Appropriates \$141,000 for FYs 2003-04 and 2004-05 due to the refinancing of the <i>Durant</i> bonds. Reinstates the full payments beginning in FY 2005-06 but at the lower amount of \$34,200,000 which will continue through FY 2012-13.	Concurs with Governor.	Concurs with House. Also includes FY 2002-03 appropriation, reduced from \$40,000,000 to \$141,000.	Concurs with the Senate.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
14a	Sec. 11j School Bond Loan Fund Debt Service Payments	Appropriates \$5,374,000 and \$700,000 in Local payments for FY 2002-03 only to cover the projected debt service on school bond loans.	Recommends repealing the section effective October 1, 2003.	Concurs with Governor.	Concurs with House.	As part of the resolution to the School Bond Loan Refinancing, the debt service payments on bonds that can not be refinanced are included here, with a \$28,300,000 appropriation in FY 2003-04.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
15	Sec. 19 P.A 25 Report Requirement s	Requires districts and ISDs to comply with P.A. 25 and to submit a report demonstrating compliance. Failure to do so shall result in the withholding of 5% of the district's or ISD's total state aid payment.	<p>Deletes all references to P.A. 25 and instead requires districts and ISDs to comply with all the reporting requirements under the federal No Child Left Behind (NCLB) Act and the National Center for Education Statistics.</p> <p>In addition, districts and ISDs must furnish CEPI with high school completion data and teacher and educational personnel data.</p> <p>Finally, districts and ISDs not complying with these reporting requirements shall have 5% of their total state aid withheld.</p>	<p>Retains requirement to comply with P.A. 25, but only for requirements that are not also contained in the NCLB Act.</p> <p>Concurs with Governor on language requiring compliance with the reporting requirements of the NCLB Act and the National Center for Education Statistics.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	<p>Concurs with House.</p> <p>Changes "completion" to "graduation." Adds that districts shall furnish information related to educational personnel as necessary for reporting required by state and federal laws.</p> <p>New (8) added which requires the Department, prior to publishing a list of schools not meeting adequate yearly progress, to allow districts to appeal such a determination, and the Department to act on such appeals within 30 days.</p>	Concurs with the Senate.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
16	Sec. 20(1) Foundation Allowance	Sets the basic foundation allowances for each fiscal year: FY 2001-02 - \$6,300 FY 2002-03 - \$6,700 FY 2003-04 - \$6,700	Deletes the listing of the prior years and maintains the basic foundation allowance for FY 2003-04 at \$6,700.	Concurs with Governor.	Concurs with House. (All of section 20 is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Concurs with the House.
17	Sec. 20(3) to (6) Foundation Allowance Modifications	Provides the specific language for how a district's foundation allowance shall increase each year based on the basic foundation allowance for that year.	Language regarding the basic foundation allowance is modified to apply to FY 2003-04 only. Language applicable to prior years is deleted.	Except in Subsection (6), the House retains current law.	Concurs with House. (All of section 20 is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Concurs with the House.
18	Sec. 20(10) Consolidation Language	Provides that districts that consolidate after June 1, 2002 shall receive a foundation allowance that is the lesser of \$8,000 or the highest foundation allowance among the consolidating districts plus \$50.	Eliminated, however similar language is moved to new Section 20L.	Retains the section but modifies the language such that the new foundation allowance for districts that consolidate after June 1, 2002 is a pupil-weighted average of the foundation allowances of the original districts.	Concurs with House. (All of section 20 is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Concurs with the House, and adds a clause clarifying that the State funding portion of the consolidated foundation allowance is subject to Sec. 20(4), the cap which applies to all districts' foundation allowances.

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19	Sec. 20(13) Foundation Allowance Index	States that the foundation allowance index shall be determined at the revenue estimating conference. If no index is agreed upon, the estimates shall be reported within seven days to the house and senate K-12 appropriations subcommittees.	Sets the index at 1.00 for FY 2003-04 only, thus meaning that the increase in the basic foundation allowance for FY 2003-04 will be \$0.00.	Concurs with Governor.	Concurs with House. (All of section 20 is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Concurs with the House.
20	Sec. 20(15) Payments for Pupil Growth Greater than 1%	Language that requires a GF/GP allocation sufficient to support pupil membership growth in excess of 101% of the previous year membership.	Eliminated.	Retains current law.	Concurs with House. (All of section 20 is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Concurs with the House.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
21	Sec. 20(19) Foundation Allowance Increase for Small Class-Size Grant Amount	Increases the foundation allowance of a district that received a grant under former Section 32e for small class-size grants by the per-pupil amount of the small class-size grant in FY 2001-02.	Retains current law.	Reduces the amount of the small class-size grant that is rolled into a district's foundation allowance by 24.75% of the grant amount received in FY 2001-02. This reduction results in a savings of an estimated \$6,600,000.	Reduces the amount of the small class-size grant that is rolled into a district's foundation allowance to 89.84% of the grant amount received in FY 2001-02. This reduction results in an estimated savings of \$2,600,000. Adds two flexibility provisions: 1. Reduce class size in at least one of grades K-3, rather than all grades; and, 2. If district meets AYP, then can apply for waiver to use funds in new manner, though the language still states that plans are designed to reduce class size (see S.B. 367 as passed the Senate).	Does not reduce the amount of the class size grants. Concurs with the Senate on the flexibility provisions.
22	Sec. 20(20) Foundation Allowance Increase for a District with a Reform Board	Increases the foundation allowance of a district with a reform board in place by a per-pupil amount sufficient to result in additional revenue to the district of \$15,000,000.	Retains current law.	Adds language that limits the funding adjustment so that it applies only to FY 2002-03.	Concurs with House with minor technical adjustments.	Concurs with the Senate.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
23	NEW Sec. 20(21) Failure to Override Millage Reduction	N/A	N/A	N/A	Adds a foundation allowance adjustment provision for a district failing to override a certain millage reduction in 1993. It is estimated that Wyandotte Schools would qualify under this section, capped at a total \$100 adjustment.	Does not include the subsection.
24	NEW Sec. 20L Consolidation Language	N/A	Language contained in Section 20(10) is moved into this new section. The new language provides that districts that consolidate after June 1, 2002 shall receive a foundation allowance that is the lesser of \$8,000 or the pupil weighted average foundation allowance among the consolidating districts plus \$10.	Allocates \$1,000,000 for FY 2003-04 for consolidation (or annexation) incentive payments equal to \$50 per pupil in the consolidated district. The total amount of the incentive payment to any one district shall not exceed \$500,000.	Does not include this section.	Concurs with the Senate to not include the section.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
25	Sec. 22a Proposal A Obligation Payment	<p>Provides appropriations sufficient to meet the State's Constitutional obligation of funding districts' foundation allowances at FY 1994-95 levels.</p> <p>FY 2003-04 appropriation of \$6,953,000,000.</p>	FY 2003-04 appropriation is reduced by \$127,000,000 to \$6,826,000,000. This reduction reflects updated taxable value and pupil membership estimates.	FY 2003-04 appropriation is reduced by \$104,000,000 to \$6,849,000,000. This reduction reflects updated taxable value and pupil membership estimates, with a partial offsetting increase in funding needed for the retaining of the 80-20 membership blend.	FY 2003-04 appropriation is reduced by \$110,700,000 to \$6,842,300,000. This reduction reflects updated taxable value and pupil membership estimates. This funding change also accounts for the retaining of the 80-20 membership blend.	FY 2003-04 appropriation is reduced by \$137,000,000 to \$6,816,000,000. This reduction reflects updated taxable value and pupil membership estimates, and savings from personal property tax audits. Also, the 80-20 blend is funded here.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
26	Sec. 22b Discretionary Payment	<p>Provides additional funding comprising foundation allowance payments beyond FY 1994-95 levels, special education hold harmless payments, and portions of other special education payments.</p> <p>FY 2003-04 appropriation of \$2,880,000,000.</p> <p>Several subsections are included regarding litigation:</p> <p>(4) Requires the Department to pay for litigation costs out of discretionary funds, up to \$1,000,000.</p> <p>(5) Allows the State Budget Director to escrow or allocate funds from this section to satisfy the amount that may be owed prior to making standard discretionary payments. Also allows for escrowed funds to be set up as work projects.</p> <p>(6) If the state is found</p>	<p>FY 2003-04 appropriation is reduced by \$7,000,000 to \$2,873,000,000. This reduction reflects updated taxable value and pupil membership estimates.</p> <p>Retained.</p> <p>Eliminated.</p> <p>Eliminated.</p>	<p>FY 2003-04 appropriation is reduced by \$11,600,000 to \$2,868,400,000. This reduction reflects updated taxable value and pupil membership estimates. In addition, the appropriation reflects the \$6.6 million reduction due to the 24.75% cut in Sec. 20(19), the small class-size adjustment, and the \$15 million reduction from the elimination of Sec. 20(20), the Reform Board Clause. Some additional funding is needed to fund declining enrollment grants and the retaining of the 80-20 pupil membership blend.</p> <p>Retained.</p> <p>Eliminated.</p>	<p>FY 2003-04 appropriation is increased by \$400,000 to \$2,880,400,000 (bill is not technically correct, but this is the amount that should be allocated in the section). This increase reflects updated taxable value and pupil membership estimates. Also, the reduction in class-size grants and the elimination of the Detroit supplemental payment are included here.</p> <p>A \$100 adjustment is included for Sec. 20(21), and \$2,500,000 in funding for upper peninsula declining enrollment is appropriated here. Finally, the retaining of the 80-20 pupil membership adjustment also drives the appropriation in this section.</p> <p>Retained.</p> <p>Retains current law.</p>	<p>FY 2003-04 appropriation is increased by \$1,000,000 to \$2,881,000,000. This decrease reflects offsetting occurrences in updated taxable value and pupil membership estimates, and the elimination of the Detroit supplemental payment.</p> <p>The \$100 adjustment for Sec. 20(21) is not included, though funding for declining enrollment is. Funding the 80-20 pupil membership blend is also contained here.</p> <p>Concurs with Senate to retain subsections (5) through (9), relating to lawsuits.</p>

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
26 Cont.	Sec. 22b Discretionary Payment Cont.	(7) Allows for interested parties to seek expedited reviews, allows the state to have the right to remove the action to the Court of Appeals.	Eliminated.	Eliminated.	Retains current law.	Concurs with Senate on retaining these subsections.
		(8) Allows for the Legislature to appropriate additional funds if necessary to pay for a court judgement that exceeds the amount appropriated in this section.	Eliminated.	Eliminated.	Retains current law.	
		(9) Allows the State to set aside 50% of lapsed funds for Medicaid Title XIX lawsuits, and to stop future Medicaid Title XIX reimbursements if sued.	Eliminated.	Eliminated.	Retains current law.	

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
27	NEW Sec. 22D PPT Interest Payments	N/A	N/A	Reimburses districts that are required to pay interest and penalties resulting from revisions to the personal property tax depreciation tables for any amount owed above \$8 million. It is anticipated that only Midland Public Schools would qualify here.	Concurs with House with minor technical adjustments.	Concurs with Senate.
28	NEW Sec. 22F Personal Property Tax Audit Exams	N/A	N/A	N/A	FY 2003-04 appropriation of \$100 to reimburse school districts for costs associated with personal property tax audit exams. The amount of reimbursement shall be determined by the Department of Treasury.	Concurs with the Senate to include the section, and funds it at \$7,000,000.
29	Sec. 24 Court-Placed Pupils	Appropriates \$8,900,000 in FY 2003-04 to reimburse districts 100% of the costs associated with educating court-placed pupils.	Increases appropriation by \$2,000,000 to \$10,900,000. This increase is necessary to fund the additional pupils in new facilities that have come online since the prior appropriation.	Concurs with Governor.	Funds this section at \$8,000,000 for FY 2003-04. Adds new language related to excluding certain costs prior to calculating the reimbursement of other costs.	Concurs with the Senate on language changes, and funds the section at \$9,500,000.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
30	Sec. 26a Renaissance Zones	Appropriates \$10,174,000 in FY 2003-04 to reimburse districts, ISDs, and the School Aid Fund for lost revenue due to the implementation of renaissance zones.	Increases appropriation by \$17,736,000 to \$27,910,000 for FY 2003-04. This increase is necessary due to the implementation of new renaissance zones designated after the prior appropriation and to also account for updated taxable value estimates.	Concurs with Governor.	Inserts FY 2002-03 supplemental appropriation totaling \$18,700,000 (current law is \$10,174,000). Concurs with House on FY 2003-04 appropriation.	Concurs with the Senate.
31	Sec 31a(1) At-Risk Funding	Allocates funding to districts to provide additional services to at-risk students. Funding is based upon the number of pupils in membership who meet the income eligibility requirements for free breakfast, milk, or lunch. FY 2003-04 appropriation of \$314,200,000.	Retains the current appropriation of \$314,200,000 for FY 2003-04. New language is added to expand before and after school programs to include tutorial services and programs that combine academic, enrichment, and recreational activities (Formerly FIA programs).	Concurs with the Governor but adds to the list of allowable uses of the funds early childhood programs, adult English as a second language programs, and wireless technology programs under Sec. 98b.	Replaces the allowable uses of funds with current law plus tutorial services, early childhood programs for ages 0-5, and reading programs under former Section 32f. FY 2003-04 appropriation of \$314,359,400. Adds a waiver for a flexibility provision in uses of funds if the district meets AYP.	Combines House and Senate allowable uses to include tutorial services, early childhood programs, reading programs, and adult English as a Second Language (though no wireless technology). FY 2003-04 appropriation of \$314,200,000. Concurs with Senate on AYP flexibility.
32	Sec. 31a(6) Teen Health Centers	Funds teen health centers at \$3,743,000 for FY 2003-04.	Maintains appropriation at \$3,743,000 for FY 2003-04. New language is added that changes the current program to an ongoing three-year grant program beginning in FY 2003-04. To remain eligible for a continuing grant, each grant recipient must remain in compliance with the terms of the grant award.	Concurs with Governor.	Concurs with House. (All of section 31a is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Concurs with House.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
33	Sec. 31a(12) Carry forward of Funds	Funds that are not expended at the end of the fiscal year are carried forward and used in subsequent fiscal years to avoid or minimize any proration that may be required under subsection (11).	Eliminated.	Concurs with Governor.	Concurs with House. (All of section 31a is open for conference, since other subsections are not concurred in with the House - therefore, this item remains on the document.)	Concurs with House.
34	Sec. 31d School Lunch	Appropriates \$18,100,000 in FY 2003-04 to fully fund the State share of school lunch programs as required under the <i>Durant</i> settlement.	Appropriation is increased by \$3,200,000 to \$21,300,000. New language is added so that payments will only go to traditional school districts and public school academies.	Concurs with the Governor.	Inserts FY 2002-03 supplemental appropriation totaling \$18,315,000 (current law is \$18,100,000). Concurs with House on FY 2003-03 appropriation, and adds language specifying how non K-12 districts and PSAs shall be paid (to reflect current practice at the Department of Ed.)	Concurs with Senate.
35	Sec. 31e NEW School Breakfast	N/A	N/A	N/A	Inserts FY 2002-03 supplemental appropriation for the School Breakfast program, typically paid for in the Department of Education budget - \$2,430,000.	Concurs with Senate.
36	Sec. 32c Early Childhood Grants	Appropriates \$2,000,000 GF/GP in FY 2003-04 for early childhood program grants.	Repeals section.	Retains section, but reduces the appropriation for FY 2003-04 by \$1,000,000 to \$1,000,000.	Funds the section at \$1,900,000 for FY 2003-04.	Funds this section at \$2,000,000.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
37	Sec. 32d Preschool Programs	Appropriates \$72,600,000 from the SAF and \$200,000 from the general fund for FY 2003-04 to make payments to qualifying districts to provide preschool programs for at-risk 4-year olds.	The full appropriation of \$72,800,000 is appropriated from the SAF with the GF/GP appropriation being eliminated. Additionally, language is added stating that the grants for the longitudinal evaluation of children must be granted to qualifying ISDs.	Retains current law.	Appropriates \$66,928,400 for this section, but combines the purposes of former Section 32b, Parental Involvement and Education (PIE) with School Readiness. Districts will get formula grants based on current law for school readiness distributions, but can use the funds for either school readiness or PIE.	Concurs with the Senate on new allowable uses, and funds the section at \$72,800,000.
38	NEW Sec. 32J ISD Parent Involvement Programs	N/A	Appropriates \$3,326,000 in FY 2003-04 for make grants to ISDs to provide programs for parents with preschool children. ISDs can receive 3.25% of the funds that are eliminated in Section 81 if they provide a parental involvement program. ISDs will also be required to provide a 20% local match.	Concurs with Governor.	Does not include the section.	Concurs with Senate.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
39	NEW Sec. 34 Early Literacy Intervention Instructional Technology Fund	N/A	N/A	N/A	\$100 placeholder included to set up an early literacy intervention instructional technology fund within the Treasury Department. From this fund, grants shall be awarded to pilot grants to districts for software-based early literacy intervention instructional technology programs.	Does not include the section.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
40	Sec. 39a(1) Federal NCLB Grants	Appropriates \$634,919,400 in federal funds for FY 2003-04 for the Federal NCLB.	<p>Increases the appropriation for FY 2003-04 by \$26,037,500 to \$660,956,900.</p> <p>The specific programs that are affected include:</p> <ul style="list-style-type: none"> - Drug-free schools grants are increased by \$426,100 to \$15,946,200. - Educational Technology grants are decreased by \$3,146,700 to \$19,425,300. - Teacher Quality grants are increased by \$1,001,800 to \$105,570,600. - Rural and Low Income grants are increased by \$100,500 to \$2,010,100. - Title I grants are increased by \$25,611,400 to \$427,000,000. - Title VI Innovative Strategies grants are increased by \$2,044,400 to \$13,629,500. 	<p>Increases the appropriation for FY 2003-04 by \$14,280,425 to \$649,199,825. However, an additional \$11,757,075 appropriated in the Governor's recommendation is moved to Sec. 98b to fund wireless technology programs.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor, however, half of the amount (\$9,712,650) is transferred to Sec. 98b.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	<p>Increases the appropriation by \$3,075,900 to \$644,490,600.</p> <p>Concurs with House.</p> <ul style="list-style-type: none"> - Educational Technology grants at \$11,863,300, with the same amount moved to Section 98b. <p>Concurs with House.</p> <p>Moved to Sec. 98b.</p> <p>Concurs with House.</p> <ul style="list-style-type: none"> - Innovative Strategies at \$12,475,000. - 21st Century Community Learning 	<p>Increases the appropriation by \$29,465,600 to \$670,880,300.</p> <p>Innovative Strategies at \$13,475,000.</p> <p>21st Century at \$20,696,300.</p>

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
41	Sec. 39a(2) Other Federal Funds	Appropriates \$6,495,300 in federal funds for other non- NCLB Federal grants.	<p>Decreases appropriation by \$1,073,500 to \$5,421,800.</p> <p>The specific programs that are affected include:</p> <ul style="list-style-type: none"> - At-Risk Child Care grants are eliminated, thus reducing the appropriation by \$976,000. - Refugee Children School Impact grants are increased by \$600,000 to \$1,000,000. - School Age Child Care grants are eliminated, thus reducing the appropriation by \$857,500. - Serve America grants are increased by \$160,000 to \$800,000. 	Concurs with Governor.	Concurs with House.	Concurs with House.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
42	Sec. 41 Bilingual Education	Appropriates \$4,212,000 for districts to provide bilingual education programs.	Retains appropriation at \$4,212,000.	Concurs with Governor.	Appropriates \$4,300,000 total (\$3,067,900 State and \$1,232,100 Federal Language Acquisition grants), or an increase of \$88,000 from current-year funding. Language is added to state that funds shall be used solely for instruction in speaking, reading, writing, or comprehension of English. Also, pupils shall not be instructed or counted under this section for more than three years.	Appropriates \$3,000,000 in State funds. Concurs with language changes in Senate bill.
42a	NEW Sec. 41a Federal Bilingual Education	N/A	N/A	N/A	N/A	As part of the resolution to the differences in Sec. 41, a new Sec. 41a is included, appropriating \$1,232,100 in Federal Language Acquisition grants for the instruction of pupils with limited English-speaking ability.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
43	Sec. 51a Special Education	Provides funding for special education pupils and programs. FY 2003-04 appropriation of \$852,721,900 SAF and \$235,000,000 in Federal IDEA Funds.	The change in the appropriation is necessary to reflect the changes in estimated costs due to the use of revised (newer) data in place of those used to determine the current law appropriations. FY 2003-04 appropriation of \$885,183,000 SAF and \$235,000,000 in Federal IDEA Funds. Sec. 53a(6), which is a nonfunctional subsection due to technical difficulties, is recommended for deletion.	Concurs with Executive.	Changes in appropriations are made to reflect increased Federal funds and the changes in estimated costs due to the use of revised (newer) data. FY 2003-04 appropriation of \$878,200,000 SAF and \$285,000,000 in Federal IDEA funds, which are given greater flexibility to be expended. Concurs with Governor to eliminate Sec. 53a(6).	FY 2003-04 appropriation of \$882,683,000 SAF and \$285,000,000 in Federal IDEA funds, given greater flexibility.
44	Sec. 51c Durant Payments for Special Education	Provides funding for costs associated with the Durant settlement that guarantees districts 28.6138% of total approved costs of special education and 70.4164% of total approved costs of special education transportation. FY 2003-04 appropriation of \$611,000,000.	The change in the appropriation is necessary to reflect the changes in cost due to the use of revised data from those used in determining the current law appropriations. FY 2003-04 appropriation of \$647,100,000.	Concurs with Executive.	FY 2003-04 appropriation of \$640,900,000.	FY 2003-04 appropriation of \$644,400,000.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
45	NEW Sec. 51e Waiver for K-3 Prereferral intervention pilot projects	N/A	N/A	N/A	Adds a new section allowing for a waiver of some or all of the rules regarding special education funding in order to implement Prereferral intervention pilot projects targeting pupils in grades k-3 who are at-risk for academic problems.	Does not include the section.
46	NEW Sec. 55a Children with Motor Impairments	N/A	N/A	N/A	Adds a grant of \$150,000 to Grand Valley State University for the purpose of making grant(s) to center(s) that enhance the skills of children with motor impairments.	Concurs with Senate, but reduces the funding to \$50,000.
47	Sec. 57 Gifted and Talented	Appropriates \$5,000,000 in FY 2003-04 to support gifted and talented programs at districts, ISDs, and summer institutes.	This section is repealed effective October 1, 2003.	Appropriates \$150,000 to ISDs that provide support services for Gifted and Talented pupils. Also appropriates \$850,000 to local districts for the development and operation of Gifted and Talented programs. Summer institutes are not funded.	Appropriates \$320,000 to ISDs that provide support services for Advanced and Accelerated pupils. Also appropriates \$1,280,000 to local districts for the development and operation of Advanced and Accelerated programs. Summer institutes are not funded.	Appropriates \$200,000 to ISDs that provide support services for Advanced and Accelerated pupils. Also appropriates \$800,000 to local districts for the development and operation of Advanced and Accelerated programs. Summer institutes are not funded.
48	Sec. 61a Vocational Education	Appropriates \$31,027,600 for FY 2003-04 to support vocational education programs.	Reduces funding in FY 2003-04 by 3.25% or slightly over \$1 million, to \$30,019,200.	Concurs with Executive.	Appropriates \$30,000,000 to support vocational education programs.	Concurs with Senate.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
49	Sec. 62(2&3) Vocational Education Millage Reimburse- ment	Indicates the total reimbursement and millage equalization dollar amount. FY 2003-04 appropriation of \$9,860,000. FY 2003-04 per pupil amount of \$130,200.	The appropriation for FY 2003-04 is reduced by 3.25%. FY 2003-04 appropriation reduced to \$9,539,600. FY 2003-04 per pupil amount increased to \$137,700.	Concurs with Executive.	FY 2003-04 appropriation of \$9,800,000.	Concurs with House.
51	Sec. 68 Career Preparation Implementing	Allocates \$21,850,000 in FY 2003-04 to implement the Michigan Career Preparation system.	This section is repealed effective October 1, 2003.	Concurs with Executive.	Allocates \$10,000,000 to plan and implement the Michigan Career Preparation System.	Concurs with Senate to fund the program, but at \$9,000,000.
52	Sec. 74 Bus Driver Safety	Allocates \$1,625,000 in FY 2003-04 to reimburse ISDs and colleges for providing bus driver safety instruction.	No change recommended.	Concurs with Governor.	Reduces the appropriation to \$1,500,000.	Concurs with House.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
53	Sec. 81 (1) ISD General Operations Funding	<p>Provides funding for ISDs for general operations. Funding for FY 2001-02 was 105% of the amount of funding actually received by the ISD under this subsection for 2000-01.</p> <p>FY 2003-04 is 103.1% of the amount received in FY 2001-02.</p> <p>FY 2003-04 appropriation of \$95,028,100.</p>	<p>Reduces the appropriation by 6.64%, or by \$6,306,300. Also, a subsection is eliminated which currently allows ISDs that participated in operating regional educational media centers to receive direct payments for such services.</p> <p>FY 2003-04 appropriation of \$88,721,800.</p>	<p>Restores 2.81% of the reduction, or a restoration of \$2,674,200 for general operations. This equates to an overall reduction of 3.83%, but ISDs can still compete for the \$3.3 million allocated in new Section 32j for early childhood grants.</p> <p>FY 2003-04 appropriation of \$91,396,000.</p>	FY 2003-04 appropriation remains the same as current law, \$95,028,100. Section 81(3), proposed for elimination by both the Governor and House, is also eliminated here.	Concurs with Senate.
54	NEW Sec. 93 Study on Declining Enrollment	N/A	N/A	N/A	Allocates \$20,000 to the Legislature to reimburse the subcommittees on K-12 for expenses incurred while undertaking a study on declining enrollment. Recommendations on long-term solutions must be made by December 1, 2003.	Does not include the section.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
55	Sec. 94a Center for Educational Performance and Information (CEPI)	<p>Appropriates \$4,500,000 in FY 2003-04 to maintain the contract with Standard & Poor's for the maintenance of the School Evaluation Services informational website, and for the continued operations of the Center. Also:</p> <p>(1) Creates the CEPI within the Office of the State Budget Director, and lists responsibilities.</p> <p>(2) Requires the State Budget Director to appoint a CEPI advisory committee.</p> <p>(3) Lists the subjects on which the advisory committee will research.</p> <p>(4) Allows the CEPI to enter into interlocal agreements.</p> <p>(5) Appropriates Federal funding (\$2,357,550) in order to fulfill Federal reporting requirements.</p> <p>(6) Allows carry forward of funds, and requires a payment of \$2.00 per pupil to ISDs and constituent</p>	<p>Reduces the operational funding from \$4.5 million to \$863,400, which would cancel the contract with Standard and Poor's. This funding would go to the Office of the State Budget to support operations of the CEPI.</p> <p>Also, includes new language stating that the Department of Management and Budget shall provide administrative support to the CEPI.</p> <p>Finally, two Federal grants appropriated in this section are adjusted to reflect anticipated allocations. Migrant Education grants are increased by \$50, to \$46,800, and Drug-Free Schools funds are reduced from \$526,100 to \$100,000.</p> <p>Only any unexpended Federal funds may be carried forward (rather than State funds); eliminates old language that required CEPI to pay ISDs for implementation costs; eliminates dual submission language; and eliminates requirement that the CEPI submit proposals for new electronic data collections at least 30 days prior to implementation. New language authorizing CEPI to bill other departments for NCLB reporting costs.</p>	<p>Appropriates \$3,000,000 to the Office of the State Budget, of which \$2,000,000 would be for the contract with Standard and Poor's for the School Evaluation Services website.</p> <p>Concurs with Executive on this language.</p> <p>Concurs with Executive on this adjustment.</p> <p>Concurs with Executive on these changes.</p>	<p>Appropriates \$2,000,000 in State funds for CEPI. Also appropriates \$1,000,000 in new funding from Innovative Strategies Federal grants to CEPI for a contract with Standard and Poor's for the School Evaluation Services web site, if the CEPI determines a contract is warranted.</p> <p>Concurs with House.</p> <p>Concurs with House.</p> <p>Concurs with House, but makes a change to the billing language to say that the Center may bill departments as necessary in order to fulfill reporting requirements of state and federal law.</p>	<p>Appropriates \$863,400 in State funds for CEPI operations. Also appropriates \$1,500,000 in State funds for the contract with Standard and Poor's for the School Evaluation Services web site.</p> <p>Concurs with Senate.</p>

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
56	Sec. 98 Michigan Virtual University	<p>Appropriates GF/GP of \$5,000,000 in FY 2003-04 for the continuing operations of the university. Also appropriates \$6,584,700 in Federal funds for Learning without Limits Program, a distance learning project.</p> <p>Of the \$5,000,000 in GF/GP funding, \$1.5 million was to support operations at MVU, and the other \$3.5 million was to be used with the Federal funding for the purpose of developing innovative strategies to use wireless technology to improve student performance.</p>	<p>Reduces FY 2003-04 State funding to \$2,000,000, and adjusts individual Federal grants to better reflect actual allocations, although the net change is zero.</p> <p>Reduces the State funding for wireless learning from \$3.5 million to \$1 million, in addition to the available Federal funding appropriated for this purpose.</p>	<p>Appropriates \$1,000,000 to the Michigan Virtual University for the development, implementation, and operation of the Michigan Virtual High School.</p> <p>Transfers all Federal funding and State funding for the wireless learning program (Learning without Limits) to a new Section 98b.</p>	<p>Appropriates \$4,000,000 in State funding and \$2,250,000 in Federal Improving Teacher Quality grants to MVU. Funding is to support the development, implementation, and operation of the Michigan Virtual High School, and to provide professional development to teachers. \$4,700,000 is earmarked for professional development activities, and the MVU is required to make at least 5 hours of online professional development available. Similarly, districts are required to have their full-time teachers take 5 hours of professional development through MVU, and count those 5 hours as hours of pupil instruction. Further, a new provision is added allowing home-schooled or nonpublic students to use the services of MVU without cost (unless cost is assigned to a public school student), if their resident public district subscribes to services at MVU.</p>	<p>Concurs with the Senate on the language changes, but reduces State funding to \$936,600.</p> <p>Therefore, the earmark for professional development activities is \$1,686,600, with the remaining \$1,500,000 going to MVU for operations.</p> <p>Concurs with Senate on remaining language.</p>

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
57	NEW Sec. 98b Learning Without Limits Program	N/A	N/A	<p>Appropriates \$8,000,000 from State School Aid Fund revenues, and \$16,712,650 in Federal funds, to the Learning without Limits program. These funds are to be used to develop, implement, and operate the program and make program grants, with a goal to achieve one-to-one access to wireless technology for K-12 pupils through statewide and local public-private partnerships. Grants to districts are estimated at \$250 per pupil, multiplied by the number of pupils in 6th grade in 2003-04. Districts are encouraged to provide a wireless computing device to each 6th grader.</p>	<p>Appropriates \$21,393,100 in Federal funds to the Limitless Learning program. Concurs with House on the structure and goals of the program.</p> <p>(Of this funding, \$12,383,000 in FY 2003-04 educational technology grants and \$7,000,000 in carry-forward of ed tech grants is used, along with \$2,010,100 in rural and low income schools grants.)</p>	<p>Appropriates \$22,000,000 in State funds and \$17,343,200 in Federal Ed Tech grants for the Freedom to Learn program. Program specifications are similar to the House-passed version, with some language changes identifying more specific parts of the project.</p>

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
58	Sec. 99 Math and Science Centers	FY 2003-04 appropriation of \$10,232,300 to support the implementation of the comprehensive master plan for math and science centers.	This section is repealed effective October 1, 2003.	Appropriates \$5,000,000 for continuing support grants to all 33 established mathematics and science centers. Each math/science center would receive 48.86% of the amount received in 2002-03, prior to proration. Adds a requirement that grant recipients provide at least a 10% local match.	Appropriates \$2,500,000 in State funds and \$2,487,700 in Federal math/science partnerships grants. Technical changes are included to clean up the section. Preference in awarding the Federal grants shall be given to the existing 33 centers.	Appropriates \$5,000,000 in State funds and \$2,487,700 in Federal math/science grants. Technical changes are included, and preference language for the Federal grants remains for existing eligible centers.
59	NEW Sec. 99b Science Ed grants	N/A	N/A	N/A	Appropriates \$50,000 to Oakland University for providing grants to at least one entity to provide science education curriculum through interactive video conferencing technology to districts across the state.	Does not include the section.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
60	Sec. 101 Provisions Governing State Aid - Days/Hours; Membership Counts	States the minimum number of instructional days and hours to receive State Aid. Limits the hours of cooperative education travel time that can be counted as hours of pupil instruction to 2 ½ hours per week.	Eliminates the outdated language allowing for up to 4 days to be counted as instruction for lost school days as a result of a train derailment with hazardous materials. Also requires districts to send in required information to the CEPI rather than to the Department of Education.	Concurs with Executive.	<p>Adds in language exempting districts from making up 30 hours of instruction lost during April 3 through April 11 due to a storm. Also increases the number of general "storm days" from 2 days to 30 hours. Finally, eliminates the 180 days of instruction requirement, and simply relies on hours of instruction - 1,098.</p> <p>Also, adds that a district not having at least 75% of the district's membership in attendance on a given day shall receive state aid in that proportion of 1/180 that the actual percent of attendance bears to the specified percentage.</p>	Concurs with Senate.
61	Sec. 104a High School Assessments	Includes provisions relating to the Michigan Educational Assessment Program for high school pupils.	No change recommended.	No change recommended.	Adds the ACT/ACT Work Keys tests as a possible designation for high school assessments. Includes technical changes to Department of Treasury to update the section to mirror E.O. 1999-7, MCL 388.995.	Concurs with Senate.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
62	Sec. 107 Adult Education	Provides for \$77,500,000 in FY 2003-04 to support adult education programs.	<p>Reduces the FY 2003-04 appropriation by 75% to \$20,000,000, and reduces the per-pupil funding to \$880.</p> <p>The method by which districts will receive reimbursement is changed as follows: each district that received Adult Ed funding in FY 2002-03 would receive 26.66% of the amount received in FY 2001-02 for the 2003-04 school year, assuming the district still provides Adult Education.</p> <p>Language is also added to allow a district providing Adult Ed to establish a sliding scale of tuition rates based upon a participant's family income; however, tuition can not be charged if the participant's income is at or below 200% of the Federal poverty guidelines.</p>	<p>Appropriates \$28,456,700 and changes the per-pupil funding back to \$2,850. (The additional \$8,456,700 above the Executive's recommendation is in an amount identical to the reduction in the Corrections budget for Adult Education programs.) Also earmarks \$100 plus 36.72% of the 2002-03 allocation to a district that operates an Adult Ed program in conjunction with the Michigan Career Technical Institute. (The district that works with MCTI is Delton-Kellogg.)</p> <p>Concurs with Executive.</p>	Appropriates \$19,303,700 in State funds and \$20,696,300 in Federal 21 st Century Community Learning Centers grants, and changes the maximum reimbursement percentage to 25.74% of what districts received in FY 2001-02. Language is included stating that the Department shall give preference in awarding the federal grants to providers of adult education programs. Technical changes are included in the section to clarify funding provisions. The earmarking of \$100 for the Michigan Career Technical Institute is not included.	Appropriates \$30,000,000 in State funds, and eliminates all Federal funding. Maximum reimbursement is 40% of what a district received in FY 2001-02. The MCTI \$100 earmark is not included.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
63	NEW Sec. 107a Family Resource Center Study Committee	N/A	N/A	N/A	Adds a new section setting up a blue ribbon committee to develop a new system of delivering adult education and related family services in 2004-05. Stipulates the members to include 2 Senators, 2 Representatives, and representatives from MACAE, MI Works program directors, MI Works Association, and Adult Education directors, and the state Adult Ed director.	Concurs with Senate.
64	Sec. 108 Partnership for Adult Learning	Appropriates \$20,000,000 GF/GP in FY 2003-04 for the PAL.	This section is repealed effective October 1, 2003.	Concurs with Executive.	Restores the section with a \$10,000,000 allocation in FY 2003-04.	Concurs with Senate.
65	Sec. 147 Retirement Rate	Estimates the FY 2001-02 payroll contribution rate to the public school employees' retirement system at 12.17%, and for FY 2002-03 at 12.99%.	Estimates the FY 2003-04 contribution rate at 14.37%. Adds language that if all districts participating in the School Bond Loan Authority assist the State Treasurer in refinancing of School Bond Loan Authority debt, the percentage of payroll contributions would be estimated to remain at 12.99% (i.e., no additional cost to districts - the State would pay for the increased pension costs in 2003-04).	Concurs with Executive.	Concurs with House, but adds language specifying that "eligible" districts refinance, and those eligible districts that do not refinance shall pay 14.37% in estimated retirement contribution rates.	Concurs with Senate.
66	Sec. 166a Sex Education Classes	Includes the requirements districts must meet when providing sex ed classes, in order to avoid financial penalties under the section.	No change.	No change.	Adds a subsection stating that sex education instruction must clearly inform pupils that having sex or sexual contact with a person under age 16 is a crime punishable by imprisonment, and that 1 of the other results is to be listed on the sex offender registry for at least 25 years.	Concurs with Senate.

ITEM	SECTION	CURRENT LAW	GOVERNOR	HOUSE	SENATE	CONFERENCE
67	Repealers and Enacting Section	N/A	<p>Repeals Sections 8 (Annual Pupil Dropout Rate report), 8c (Broadband Telecommunications Infrastructure report), 11j (School Loan Bond Redemption Fund), 18d (Membership Dispute on or before March 1, 1997), 32a (ASAP summary), 32b (ASAP-PIE), 32c (Interagency Early Childhood grants), 32f (ASAP-LAP), 32i (Intent for Additional Revenues May 2002), 55 (GVSU Autism), 57 (Gifted and Talented), 67 (Career Prep Planning), 68 (Career Prep Implementation), 94 (Accreditation Assistance), 96 (Golden Apples), 99 (Math/Science Centers), 99a (School Health grants), 108 (PAL), 121a (Local Treasurer Reimbursement), 158 (District Pupil Retention Report), 164c (Buy American), and 166 (Unlawful Dispensation of Family Planning Drugs or Devices) effective October 1, 2003.</p> <p>Sections 20k (Closing Possible Proration Loophole for Hold Harmless Districts), 20l (Consolidation Incentive), and 32j (ISD Early Childhood Grants) take effect upon enactment of the bill (i.e., immediate effect). Remainder of bill effective October 1, 2003.</p>	<p>Does not repeal sections 32b, 32c, 32f, 57, 99, 164c, or 166.</p> <p>Adds Sections 20 (Foundation Allowance Calculations) and 98b (Learning without Limits) to the list of immediate effect provisions.</p>	<p>Concurs with House.</p> <p>Sections 11, 20, 20k, 31e, 98b, and 107a are given immediate effect upon enactment of the bill.</p>	<p>Also does not repeal Section 11j.</p>



FY 2003-04 Enacted, Executive, House Passed, Senate Passed, and Conference
School Aid / K-12 Budget
(Dollars in Thousands)
June 26, 2003

Line Item Description	FY 2003-04 Enacted PA 521 of 2002	Governor's Recommended Changes	Governor's FY 2003-04 Appropriations	House Changes from 2003-04 Enacted	House FY 2003-04 Appropriations	Senate Changes from 2003-04 Enacted	06/18/2003 80-20 Blend Senate FY 2003-04 Appropriations	CONFERENCE Report Changes	06/26/2003 80-20 Blend CONFERENCE Report FY 2003-04
Sec. 11f Durant Non-plaintiff Cash Payments	\$32,000.0	\$0.0	\$32,000.0	\$0.0	\$32,000.0	\$0.0	\$32,000.0	\$0.0	\$32,000.0
Sec. 11g Durant Non-plaintiff Debt Service	\$40,000.0	(\$40,000.0)	\$0.0	(\$39,859.0)	\$141.0	(\$39,859.0)	\$141.0	(\$39,859.0)	\$141.0
Sec. 11j School Bond Loan Fund Payments - Debt Service	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$28,300.0	\$28,300.0
Sec. 20l Consolidation Incentive	\$0.0	\$0.0	\$0.0	\$1,000.0	\$1,000.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec 22a. Proposal A Obligation Payment	\$6,953,000.0	(\$127,000.0)	\$6,826,000.0	(\$104,000.0)	\$6,849,000.0	(\$110,700.0)	\$6,842,300.0	(\$137,000.0)	\$6,816,000.0
Sec. 22b Discretionary Payment	\$2,880,000.0	(\$7,000.0)	\$2,873,000.0	(\$11,600.0)	\$2,868,400.0	\$400.0	\$2,880,400.0	\$1,000.0	\$2,881,000.0
Sec. 22e Tax Tribunal Reimbursement	\$0.0	\$0.0	\$0.0	\$120.0	\$120.0	\$120.0	\$120.0	\$120.0	\$120.0
Sec. 22f Personal Property Audit Reimbursement	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$7,000.0	\$7,000.0
Sec. 24 Court-Placed Pupils	\$8,900.0	\$2,000.0	\$10,900.0	\$2,000.0	\$10,900.0	(\$900.0)	\$8,000.0	\$600.0	\$9,500.0
Sec. 26a Renaissance Zone Costs	\$10,174.0	\$17,736.0	\$27,910.0	\$17,736.0	\$27,910.0	\$17,736.0	\$27,910.0	\$17,736.0	\$27,910.0
Sec. 31a "At Risk" Pupil Support	\$314,200.0	\$0.0	\$314,200.0	\$0.0	\$314,200.0	\$159.4	\$314,359.4	\$0.0	\$314,200.0
Sec. 31d State Share - School Lunch Programs	\$18,100.0	\$3,200.0	\$21,300.0	\$3,200.0	\$21,300.0	\$3,200.0	\$21,300.0	\$3,200.0	\$21,300.0
Sec. 31d Federal Share - School Lunch	\$274,631.0	\$0.0	\$274,631.0	\$0.0	\$274,631.0	\$0.0	\$274,631.0	\$0.0	\$274,631.0
Sec. 32c Interagency Early Childhood Grants	\$2,000.0	(\$2,000.0)	\$0.0	(\$1,000.0)	\$1,000.0	(\$100.0)	\$1,900.0	\$0.0	\$2,000.0
Sec. 32d School Readiness	\$72,800.0	\$0.0	\$72,800.0	\$0.0	\$72,800.0	(\$5,871.6)	\$66,928.4	\$0.0	\$72,800.0
Sec. 32J ISD 0-5 Grants	\$0.0	\$3,326.0	\$3,326.0	\$3,326.0	\$3,326.0	\$0.0	\$0.0	\$0.0	\$0.0
Sec. 34 Early Literacy Intervention Fund	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	\$0.0	\$0.0
Sec. 39a. Federal DOE Grants	\$641,414.7	\$24,964.0	\$666,378.7	\$13,206.9	\$654,621.6	\$3,075.9	\$644,490.6	\$29,465.6	\$670,880.3
Sec. 41 Bilingual Education - State	\$4,212.0	\$0.0	\$4,212.0	\$0.0	\$4,212.0	(\$1,144.2)	\$3,067.8	(\$1,212.0)	\$3,000.0
Sec. 41 Bilingual Education - Federal	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1,232.1	\$1,232.1	\$1,232.1	\$1,232.1
Sec. 51a Special Education - Federal	\$235,000.0	\$0.0	\$235,000.0	\$0.0	\$235,000.0	\$50,000.0	\$285,000.0	\$50,000.0	\$285,000.0
Sec. 51a Special Education - State	\$852,721.9	\$32,461.1	\$885,183.0	\$32,461.1	\$885,183.0	\$25,478.1	\$878,200.0	\$29,961.1	\$882,683.0
Sec. 51d Federal Special Ed Funding	\$59,837.2	\$0.0	\$59,837.2	\$0.0	\$59,837.2	\$662.8	\$60,500.0	\$662.8	\$60,500.0
Sec. 55 GVSU Autism Programs	\$500.0	(\$500.0)	\$0.0	(\$500.0)	\$0.0	(\$500.0)	\$0.0	(\$500.0)	\$0.0
Sec. 55a GVSU Motor Impairment Grant	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$150.0	\$150.0	\$50.0	\$50.0
Sec. 57 Advanced and Accelerated	\$5,000.0	(\$5,000.0)	\$0.0	(\$4,000.0)	\$1,000.0	(\$3,400.0)	\$1,600.0	(\$4,000.0)	\$1,000.0
Sec. 61a Vocational Education	\$31,027.6	\$1,008.4	\$30,019.2	(\$1,008.4)	\$30,019.2	(\$1,027.6)	\$30,000.0	(\$1,027.6)	\$30,000.0
Sec. 62 ISD Vocational Ed Millage Equalization	\$9,860.0	(\$320.4)	\$9,539.6	(\$320.4)	\$9,539.6	(\$60.0)	\$9,800.0	(\$320.4)	\$9,539.6
Sec. 67 Career Preparation System: Planning	\$350.0	(\$350.0)	\$0.0	(\$350.0)	\$0.0	(\$350.0)	\$0.0	(\$350.0)	\$0.0
Sec. 68 Career Prep. System: Implementation	\$21,850.0	(\$21,850.0)	\$0.0	(\$21,850.0)	\$0.0	(\$11,850.0)	\$10,000.0	(\$12,850.0)	\$9,000.0
Sec. 74 Bus Driver Safety Instruction	\$1,625.0	\$0.0	\$1,625.0	\$0.0	\$1,625.0	(\$125.0)	\$1,500.0	\$0.0	\$1,625.0
Sec. 81 ISD General Operations Support	\$95,028.1	(\$6,306.3)	\$88,721.8	(\$3,632.1)	\$91,396.0	\$0.0	\$95,028.1	\$0.0	\$95,028.1
Sec. 93 Declining Enrollment Study	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$20.0	\$20.0	\$0.0	\$0.0
Sec. 94 Accreditation Assistance	\$2,000.0	(\$2,000.0)	\$0.0	(\$2,000.0)	\$0.0	(\$2,000.0)	\$0.0	(\$2,000.0)	\$0.0
Sec. 94a Center for Educ. Perf. and Information - State Share	\$4,500.0	(\$3,636.6)	\$863.4	(\$1,500.0)	\$3,000.0	(\$2,500.0)	\$2,000.0	(\$2,136.6)	\$2,363.4
Sec. 94a Center for Educ. Perf. and Information - Federal	\$2,357.6	(\$426.1)	\$1,931.5	(\$426.1)	\$1,931.5	\$573.9	\$2,931.5	(\$426.1)	\$1,931.5
Sec. 96 Golden Apple MEAP Incentive Program	\$1,320.0	(\$1,320.0)	\$0.0	(\$1,320.0)	\$0.0	(\$1,320.0)	\$0.0	(\$1,320.0)	\$0.0
Sec. 98 Michigan Virtual High School - State	\$5,000.0	(\$3,000.0)	\$2,000.0	(\$4,000.0)	\$1,000.0	(\$1,000.0)	\$4,000.0	(\$4,063.4)	\$936.6
Sec. 98 Michigan Virtual High School - Federal	\$6,584.7	\$0.0	\$6,584.7	(\$6,584.7)	\$0.0	(\$4,334.7)	\$2,250.0	(\$4,334.7)	\$2,250.0
Sec. 98b Wireless Technology - State	\$0.0	\$0.0	\$0.0	\$8,000.0	\$8,000.0	\$0.0	\$0.0	\$22,000.0	\$22,000.0
Sec. 98b Wireless Technology - Federal	\$0.0	\$0.0	\$0.0	\$16,712.7	\$16,712.7	\$21,393.1	\$21,393.1	\$17,343.2	\$17,343.2
Sec. 99 Math/Science Centers - State	\$10,232.3	(\$10,232.3)	\$0.0	(\$5,232.3)	\$5,000.0	(\$7,732.3)	\$2,500.0	(\$5,232.3)	\$5,000.0
Sec. 99 Math/Science Centers - Federal	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$2,487.7	\$2,487.7	\$2,487.7	\$2,487.7
Sec. 99a School Health Curriculum Grants	\$3,180.0	(\$3,180.0)	\$0.0	(\$3,180.0)	\$0.0	(\$3,180.0)	\$0.0	(\$3,180.0)	\$0.0
Sec. 99b Oakland University Grant for Science Ed Grants	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$50.0	\$50.0	\$0.0	\$0.0
Sec. 107 Adult Education - State	\$77,500.0	(\$57,500.0)	\$20,000.0	(\$49,043.3)	\$28,456.7	(\$58,196.3)	\$19,303.7	(\$47,500.0)	\$30,000.0
Sec. 107 Adult Education - Federal	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$20,696.3	\$20,696.3	\$0.0	\$0.0
Sec. 108a Adult Learning Program	\$20,000.0	(\$20,000.0)	\$0.0	(\$20,000.0)	\$0.0	(\$10,000.0)	\$10,000.0	(\$10,000.0)	\$10,000.0
TOTAL SCHOOL AID APPROPRIATIONS	\$12,696,906.1	(\$228,943.0)	\$12,467,963.1	(\$183,643.6)	\$12,513,262.5	(\$118,715.2)	\$12,578,190.9	(\$66,153.6)	\$12,630,752.5
TOTAL REVENUE									
Federal Aid	\$1,219,825.2	\$24,537.9	\$1,244,363.1	\$22,908.8	\$1,242,734.0	\$95,787.1	\$1,315,612.3	\$96,430.6	\$1,316,255.8
School Aid Fund (SAF)	\$11,246,667.4	(\$23,067.4)	\$11,223,600.0	(\$183,009.0)	\$11,063,658.4	(\$307,888.8)	\$10,938,778.6	(\$277,970.7)	\$10,968,696.7
General Fund/General Purpose	\$198,413.5	(\$198,413.5)	\$0.0	\$8,456.6	\$206,870.1	\$108,386.5	\$306,800.0	\$130,386.5	\$328,800.0
Merit Award Trust Fund						\$17,000.0	\$17,000.0	\$17,000.0	\$17,000.0
Budget Stabilization Fund Transfer to SAF	\$32,000.0	(\$32,000.0)	\$0.0	(\$32,000.0)	\$0.0	(\$32,000.0)	\$0.0	(\$32,000.0)	\$0.0
TOTAL REVENUE	\$12,696,906.1	(\$228,943.0)	\$12,467,963.1	(\$183,643.6)	\$12,513,262.5	(\$118,715.2)	\$12,578,190.9	(\$66,153.6)	\$12,630,752.5